



# Finance Act 2024

## 2024 CHAPTER 3

### PART 2

#### OTHER TAXES

##### *Miscellaneous VAT and excise measures*

#### **26 Rebate on heavy oil and certain bioblends used for heating**

In Schedule 1A to HODA 1979 (excepted machines), in paragraph 8, in subparagraph (1)(e), for the words from “kerosene” to the end substitute “for fuel—

- “(i) heavy oil other than gas oil, or
- (ii) bioblend other than bioblend that is a mixture of biodiesel and gas oil.”

#### **27 Vehicle excise duty exemption for foreign vehicles**

After section 5 of VERA 1994 (exempt vehicles) insert—

##### **“5A Additional power to exempt foreign vehicles**

- (1) The Secretary of State may by regulations confer an exemption from vehicle excise duty in respect of a foreign vehicle.
- (2) The regulations may, for or in connection with conferring the exemption, amend subordinate legislation made under this Act or the Motor Vehicles (International Circulation) Act 1952.
- (3) The regulations may provide that the exemption of a foreign vehicle from vehicle excise duty is—
  - (a) subject to conditions;
  - (b) limited to a specified period.
- (4) Regulations under this section may make—

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- (a) provision which applies generally or for particular purposes;
  - (b) retrospective provision.
- (5) A provision of regulations under this section that has the effect of removing the exemption of a foreign vehicle from vehicle excise duty must not be made so as to have retrospective effect.
- (6) In this section—
- “foreign vehicle” means a vehicle that is registered under the law of any territory outside the United Kingdom;
  - “specified” means specified in the regulations;
  - “subordinate legislation” means Orders in Council, orders and regulations (including any regulations made under an Order in Council).”

## 28 Interpretation of VAT and excise law

- (1) [This section](#) makes provision about how—
- (a) the European Union (Withdrawal) Act 2018 (“EUWA 2018”), and
  - (b) the amendments made to that Act by the Retained EU Law (Revocation and Reform) Act 2023 (“REULA 2023”),
- are to apply for the purpose of interpreting enactments relating to value added tax or any duty of excise (“VAT and excise law”).
- (2) Section 4 of EUWA 2018 (retained EU rights, powers, liabilities etc) continues to have effect (despite the provision made by section 2 of REULA 2023) for the purpose of interpreting VAT and excise law subject to the following exception.
- (3) The exception is that Articles 110 and 111 of the Treaty on the Functioning of the European Union (which relate to internal taxation on products) have no effect for that purpose.
- (4) Section 5(A1) to (A3) of EUWA 2018 (which are inserted by section 3 of REULA 2023 and which abolish the supremacy of EU law) have effect in relation to VAT and excise law as they have effect in relation to other domestic enactments but only so far as they relate to the disapplication or quashing of any enactment as a result of EU law (and, accordingly, the superseded provisions continue to have effect for the purpose of interpreting VAT and excise law).
- (5) Retained general principles of EU law—
- (a) continue to be relevant (despite the provision made by section 4 of REULA 2023) for the purpose of interpreting VAT and excise law in the same way, and to the same extent, as they were relevant for that purpose before the coming into force of that section, but
  - (b) otherwise have effect for that purpose subject to the provision made by that Act (including, in particular, the amendments made by section 6 of that Act (role of courts)).
- (6) In [this section](#)—
- (a) the reference to any duty of excise is to be read in accordance with section 49 of TCTA 2018,

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- (b) the reference to the superseded provisions is a reference to section 5(1) to (3) of EUWA 2018 as those subsections had effect immediately before the passing of REULA 2023, and
  - (c) the reference to retained general principles of EU law is to be read in accordance with EUWA 2018 as that Act had effect immediately before the passing of REULA 2023.
- (7) [This section](#) needs to be read with sections 42 and 47 of TCTA 2018 (which make other provision about EU law relating to VAT and excise law and which continue to have effect for the purpose mentioned in [subsection \(1\)](#) above).
- (8) This section is treated as having come into force on 1 January 2024.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 9 para. 132(1) Sch. 9 para. 132 renumbered as Sch. 9 para. 132(1) by [S.I. 2024/356 reg. 4\(23\)\(a\)](#)
- Sch. 9 para. 125(1)(c) and word inserted by [S.I. 2024/356 reg. 4\(3\)\(b\)](#)
- Sch. 9 para. 125(3A) inserted by [S.I. 2024/356 reg. 4\(6\)](#)
- Sch. 9 para. 126(1)(c) inserted by [S.I. 2024/356 reg. 4\(9\)\(c\)](#)
- Sch. 9 para. 126(3A) inserted by [S.I. 2024/356 reg. 4\(10\)](#)
- Sch. 9 para. 127A and cross-heading inserted by [S.I. 2024/356 reg. 4\(12\)](#)
- Sch. 9 para. 128(6)(a)(zi) inserted by [S.I. 2024/356 reg. 4\(13\)](#)
- Sch. 9 para. 129(1)(c)(d) inserted by [S.I. 2024/356 reg. 4\(15\)\(b\)](#)
- Sch. 9 para. 129(2)(c) and word inserted by [S.I. 2024/356 reg. 4\(16\)\(b\)](#)
- Sch. 9 para. 130A and cross-heading inserted by [S.I. 2024/356 reg. 4\(21\)](#)
- Sch. 9 para. 132(2)-(5) inserted by [S.I. 2024/356 reg. 4\(23\)\(c\)](#)
- Sch. 9 para. 132A and cross-heading inserted by [S.I. 2024/356 reg. 4\(24\)](#)
- Sch. 9 para. 132(1) words inserted by [S.I. 2024/356 reg. 4\(23\)\(b\)](#)